

Press Release





Congressman John Conyers, Jr. Michigan, 14th District

Ranking Member, U.S. House Judiciary Committee Dean, Congressional Black Caucus

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Contact: Dena Graziano 202-226-6888

Convers and 32 Other Members to Introduce Anti- Price Gouging Bill

Cosponsors Include Members of the Affected Mississippi and Louisiana Delegation

WASHINGTON, D.C. – Congressman John Conyers, Jr., Ranking Member of the House Judiciary Committee issued the following statement regarding the introduction of the "Anti-Price Gouging Act of 2005," legislation that makes price gouging during a time of a national disaster a federal crime. Currently, the bill has been cosponsored by Representatives Debbie Wasserman-Schultz, Linda Sanchez, Jerrold Nadler, Martin Meehan, Sheila Jackson Lee, Bennie Thompson, William Jefferson, Adam Schiff, Joe Crowley, William Delahunt, Zoe Lofgren, Gene Taylor, Chris Van Hollen, Diane Watson, Bobby Scott, Ed Case, Bernie Sanders, Mike Capuano, Dennis Kucinich, Bob Filner, Dan Boren, Jim McDermott, George Miller, John Larson, Al Green, Julia Carson, Carolyn Kilpatrick, Carolyn Maloney, Emanuel Cleaver, Barbara Lee, Betty McCollum, Anthony Weiner.

"Every time a major disaster occurs, we are confronted with scarcity of resources that often results in exorbitant prices for necessary resources such as gas, food and water. While some adjustment to prices may be necessary, unconscionable increases in price are unfair and harmful to consumers, who, at a time of national disaster, are already dealing with significant personal losses. It is unconscionable for the same gasoline that sold for \$2.50 per gallon on one day, to be marked up to \$3.50 on the next day. Similarly, a hotel room that was promised at \$80 per night on the phone, should not be raised \$200 per night upon arrival. These instances of price gouging have been occurring throughout the country, even in areas far removed from the direct damage caused by Hurricane Katrina.

Currently, at least 13 states – Alabama, Arkansas, Florida, Georgia, Indiana, Louisiana, Mississippi, New York, North Carolina, South Carolina, Tennessee, Virginia and West Virginia – have laws that specifically address price gouging in the event of a declared emergency. Unfortunately, there is no federal statute addressing the issue.

When we have unprecedented natural disasters, such as Hurricane Katrina, and price gouging that harms consumers across the nation, we need federal law enforcement available to support the states. As a result, the Anti-Price Gouging Act of 2005 would make it a violation of the Antitrust Laws for a supplier to charge unconscionable prices for necessary goods or services once a state of emergency has been declared by the President.

This legislation is not only extremely important now, at a time of national disaster, but it is also mindful that we cannot sit around and wait for disaster to strike before putting in place mechanisms that will help consumers in their times of need. I hope the Congress moves quickly to enact the "Anti-Price Gouging Act of 2005."

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